

Mr. STEWART: Item 272; "Removing Snow, Ice and Sand." That is a considerable increase. That is a seasonable condition.

Mr. BROWN: That is an exceptional condition that accrued in the Atlantic region last year.

Mr. HENRY: We can take these up one by one, if you desire.

Mr. KYTE: Item 274; "Injuries to Persons." What liability does that indicate? Who can answer that? Was that actions brought against them or gratuities, or what is it?

Major BELL: Mr. Henry will give you all that,

Mr. HENRY: That is item 274?

Mr. BROWN: (To Mr. Henry). I think you have a memo on that.

Mr. HENRY: There is an increase of \$85,000 on the western region, heavier payments having been made through the Compensation Board of Manitoba, Alberta, and British Columbia; payments to 11 employees amounted to \$45,000 and \$12,000 was paid covering administration expenses of Workmen's Compensation Boards of Manitoba and British Columbia for 1921 and 1922.

Mr. KYTE: It is \$316,000; that represents your contribution to the Workmen's Compensation Boards of the various provinces?

Mr. HENRY: Yes.

Mr. GAUVREAU: Now, item 235; "Shops and Engine Houses." There is an increase. Does that mean new shops or new machinery?

Mr. HENRY: No. This is maintenance. That is the proportion chargeable to maintenance, but the shops and engine houses come in periodically; they are long-lived structures which come in periodically, and during that year I think were heavier than the previous year. I can give you a list of the specific places where these increases took place, if you want it. There is an increase on the Grand Trunk Western lines, due to heavy repairs to shops and engine houses, particularly at Battle Creek, Durand, Saginaw, Jackson, Port Huron, Milwaukee and Grand Haven. On the central region there were none.

Mr. GAUVREAU: That is what I wanted.

The CHAIRMAN: There is a heavy increase under "Insurance."

Mr. HENRY: That is largely due to the fact that under the old system there was no insurance carried upon the property—perishable property of the Canadian Government Railways. This year it has been included in the ordinary way.

Hon. Mr. GRAHAM: But this is really paid into our own insurance fund?

Major BELL: Perhaps we had better explain that the insurance for both fire and marine is carried by the railway itself; every month so much is deducted and put into a fund in cash and against that fund we charge out all our fire losses, and comparing 1923 with 1922, when we carried a greater portion of our insurance in outside companies, we made a saving of over \$1,000,000, but that is not reflected in the surplus; it is reflected in the surplus of the fire fund.

Mr. HENRY: That is correct.

Mr. STEWART: What arrangement was there between the Government and the Canadian National Board regarding the fire losses on the Government-owned railways operated by the Canadian National?

Major BELL: We charged the premium, and deposited it in the fund of the Government-owned railway, just the same as the National. Any loss is paid for out of the fire fund, and a surplus, if any, is credited to the Government railway in the fund. This is divided as between the company—

The CHAIRMAN: There is no actual transfer of money?